

Russia's got great mathematicians and engineers who can just as easily participate in the high-tech world as American engineers and American mathematicians. And that's an area of great interest to me, and it's an area of great interest to the President. It's an area where we can begin a fruitful dialog.

The deployment of capital is something that's very important to Russia; it's important to our businessmen. The President understands it's important to have rule of law, a reasonable tax system, transparency in the economy. And he's working toward that, and I am grateful. Our businessmen and our Secretary of Commerce will hear that when they travel to Russia.

President Putin. You know, I agree with the President in that to overload our relationship by a variety of bureaucratic structures and organizations—that's not always justified. The most important thing is to create favorable conditions for effective work by the business community. We know the plans of President Bush with respect to his taxation policy and with respect to other measures which he is planning, with respect to the economy of the United States.

From our part, we still have to do so much that would make Russia attractive for foreign investors. Although among international investors, the Americans are in first place. Naturally, first and foremost, we have to take care of the issues of the energy problem in the world at large. American business is showing a great interest in this sphere.

But we also know that President Bush has plans in the atomic energy field. Here, too, we think we've got a couple of things we could talk about. We have a very fruitful area of cooperation we could work in. We have a number of various structures that are working very appropriately now in reprocessing uranium. We've got pretty good cooperation in space now. It seems to me that to a significant extent, that which exists now, it is functioning very successfully now, the space station, the International Space Station and the participation of the United States and Russia. We have so many other areas we'd like to work in. But when the businessmen come—that depends, of course, on the U.S. side—but we'll receive them at any time that's appropriate to them.

NOTE: The President's 11th news conference began at 5:30 p.m. at Brdo Castle. President Putin spoke in Russian, and his remarks were translated by an interpreter. In his remarks, President Bush referred to his mother, Barbara Bush, mother-in-law, Jenna Welch, and his daughters, Jenna and Barbara P.; Russian Minister of Foreign Affairs Igor Ivanov; and President Milan Kucan and Prime Minister Janez Drnovsek of Slovenia. The President also referred to MAP process, NATO's Membership Action Plan process. President Putin referred to former Secretary of State Madeline K. Albright. A reporter referred to NATO Secretary General Lord Robertson.

Remarks Following a Meeting With Secretary of State Colin L. Powell and an Exchange With Reporters

June 18, 2001

The President. Good morning. The Secretary and I were following up on our recent trip to Europe. I had some conversations today with the President of Spain, the Prime Minister of Britain, the President of Poland, to brief them on my conversations with President Putin.

The conversation with President Putin was positive. It indicated to me that we can have a very frank and honest relationship, that there are areas where we can work together. And I shared with those three leaders the summary of my discussions with him.

They were most pleased that the conversation went well. They were pleased to hear that the United States welcomes Russia to look westward and will help Russia do so. And they were pleased to hear we're going to send some delegations over to Russia to have economic dialog.

So the Secretary is here today, where we can follow up and put an action plan in place to take advantage of the cooperation that I'm confident can exist.

Senior Adviser on Strategic Initiatives Karl Rove

Q. Mr. President, I was wondering what your level of confidence is, sir, in one of your senior political advisers, Mr. Rove? It seems that some Republicans have voiced displeasure about some of the issues and decisions he was involved in recently—Vieques

among them—as well as the calls for investigation of him, sir, in the House. I'm just wondering what your level of confidence is.

The President. My level of confidence with Karl Rove has never been higher. He's a man of—he gives me sound advice. He adheres to the ethical rules of our Government, and he's doing a great job on behalf of the American people.

Situation in Macedonia

Q. Mr. President, President Putin is now warning that the situation in Macedonia shows signs of becoming another, sort of, Kosovo, and in particular, he's called for closing the border between Kosovo and Macedonia, Albania and Macedonia. Are those steps that you would support? And what do you think can be done to avoid having the, sort of, U.S.-Russian tensions that occurred during the Kosovo crisis?

The President. Well, we strongly believe we need to shut off the border between Kosovo and Macedonia. As a matter of fact, our troops that participate in KFOR are doing just that.

President Putin also believes that we ought to all work together to achieve a political solution. And the Secretary of State—he'll be glad to comment on that—has worked very closely with Mr. Trajkovski, as well as the legitimate Albanians, those who aren't extremists, those who want the Government to work. We are—as you know, there was a meeting over the weekend, right before the weekend, where democratically-elected officials in Macedonia met to determine how best to fashion a constitution that meets minority needs. We strongly support that process.

I believe we can work with the Russians. We share the same interests, which is a stable Macedonia. Our Governments understand that a Macedonia that is fractured, where extremists are able to make headway is a—it will create instability in the region.

U.S.S. Cole Investigation

Q. Mr. President, can you comment, sir, on reports out of Yemen that the FBI investigators that are looking into the bombing of the U.S.S. *Cole* are leaving the area?

The President. I'm not in a position to make comments on that right now. Once we finish our full investigation, our Government will be willing to discuss that.

Q. Are you pleased with the pace of the investigation, sir?

The President. I'd rather not comment about ongoing investigations, particularly in regards to the security of the country.

Energy Price Controls

Q. With the Federal Energy Regulatory Commission meeting on the California power crisis—price crisis today, are you still as firmly opposed, as you've said in the past, to mandatory, strict price controls?

The President. I am, because price controls do not create additional supply, nor do they reduce demand. I think price controls would not benefit the California consumer. It wouldn't help solve the problem. I'm interested in seeing what FERC comes up with. They're not talking about firm price controls. They're talking about a mechanism to—as I understand it—a mechanism to mitigate any severe price spike that may occur, which is completely different from price controls.

Q. Do you like that idea?

The President. I want to see what they have to say. I haven't had a chance to fully look at what their proposal is. As you know, it's an independent organization. And although I've had the opportunity of naming two members, I believe, to the FERC, they are independent. They know full well my administration's belief that price controls will not solve the problem. And a lot of folks in California understand that, as well.

Again, I repeat, price controls do not increase supply nor reduce demand, and that's precisely what is needed in the State of California.

NOTE: The President spoke at 9:20 a.m. in the Oval Office at the White House. In his remarks, he referred to President Jose Maria Aznar of Spain; Prime Minister Tony Blair of the United Kingdom; President Aleksander Kwasniewski of Poland; President Vladimir Putin of Russia; and President Boris Trajkovski of the former Yugoslav Republic of Macedonia. A tape was not available for verification of the content of these remarks.

Remarks to Agricultural Leaders June 18, 2001

Well, thank you very much. It's nice to be home. *[Laughter]* And welcome to the people's home. As I'm sure you can imagine, it is an unimaginable honor to live here, and it was an unimaginable honor to represent our Nation overseas.

We had a really good trip, and I'm sure Ambassador Zoellick will brief you on the trip after I say a few words. But let me just say to you that—well, first, let me thank Ann Veneman for the job she's doing. I knew when I picked her, I picked a really smart, capable leader. And she has fulfilled all expectations. She's going to do a great job as representing an incredibly important part of our Nation's economy and our Nation's culture. So, Madam Secretary, thank you very much for your leadership. Zoellick, thank you, sir, for your leadership, as well.

I told people when I—that should I become the President, we would never use agriculture as a throwaway, as just a bargaining tool. And when I interviewed my friend Bob Zoellick, who I've known for a while, I said, "I want you to understand, the cornerstone of good trade policy is good ag policy. And we're not going to leave our farmers and ranchers behind when it comes to international agreements."

And I think you're going to find when he talks to you and when you question him, he's going to hold true to that philosophy. And I'm proud of his work. He's tough and he's steady, and I've got a pretty good look at who he's negotiating against—*[laughter]*—but he's going to do a fine job for all of America, including the agricultural sector.

I'm honored that Members of the United States Senate are here, and Members of the House of Representatives are here. Mr. Chairman—well, Mr. Ex-Chairman. *[Laughter]* Thank you all for coming. *[Laughter]*

We're going to discuss here an incredibly important issue, and that is, how do we make sure American agriculture thrives and survives and grows stronger over time? It starts with understanding a couple of things. One, that we needed tax relief so that those farmers and ranchers who are actually in the black can keep more of what they make. And

thanks to Members here, we got good tax relief.

And by the way, we also eliminated the death tax, which is incredibly important to American agriculture. And I want to thank you all on the stage here for—as well as your Members, for working hard to make the case that getting rid of the death tax is only fair, and that for those who worry about urban sprawl and issues such as that, that getting rid of the death tax is going to allow the family farm or the family ranch to pass from one generation to the next. And so it's a good piece of legislation, and many of you all helped make the case. And for that, all of us are grateful.

I also said in the campaign I'd work for value-added processing, that I wanted to make sure that the products we grew at home here had received enhanced value because of U.S. processing. And part of our energy plan, as you learned recently, includes ethanol. And that's an important part of an agriculture and an energy and an environmental mix that I think is best for the United States of America.

And finally, trade. And it's incredibly important for our Americans to understand how important trade is. The agricultural sector understands that. Twenty-five percent of farm receipts are generated by exports. One-quarter of all the revenues coming into the farm economy are generated as a result of a farmer in America or a rancher in America selling that product overseas. And that's as it should be. Our farmers and ranchers are the most efficient producers in the world. This is an area where our country has a competitive advantage. We're really good at it. And the job of this administration must be to open up more markets for ag products.

I used to tell people in the course of the campaign, I want America to feed the world. I want our great Nation that's a land of great, efficient producers to make sure people don't go hungry. And it starts with having an administration committed to knocking down barriers to trade, and we are.

And you're about to hear from the Trade Representative, Ambassador Zoellick, who will describe to you a couple of things: one, that we want a new round of WTO discussions started with ag at its core, and it will